

USDA RURAL DEVELOPMENT
Strategic Plan for Fiscal Years 2005 – 2010

STRATEGIC GOALS AND OBJECTIVES

Goal 1: Increase Economic Opportunity in Rural America

One of Rural Development's core missions is ensuring that rural Americans enjoy economic opportunities equivalent to those of other Americans. A lack of credit and other market imperfections sometimes limits the ability of rural economies to create the jobs and incomes that would allow rural families to succeed and rural youth to remain in their communities as adults. Rural Development serves as a capital enhancement tool for rural America by investing in businesses and economic infrastructure. Through capital enhancement, Rural Development is expanding its ability to improve economic opportunities in rural areas. Assistance to agricultural producers, who are an important component of many rural communities, are being assisted through the value-added and energy-related provisions of the 2002 Farm Bill, plus continuation of the technical assistance provided to agricultural cooperatives.

The development of the Internet-based economy provides unique opportunities for rural America. It eliminates the limitations on business development in rural areas caused by geographical distance and a limited customer base. Rural Development is providing rural communities with access to broadband service that is critical if a rural business is to participate in the developing global economy.

Objective 1.1 - Enhance capital formation and support the creation of diverse, sustainable businesses.

Strategies

- Implement the Rural Business Investment Program.
- Aggressively market the Rural Business Investment Program to ensure broad awareness of the program.
- Streamline regulations to reduce the documentation required and ease the application burden for small business applicants.
- Aggressively market the business programs to potential small business applicants.
- Increase outreach and partnerships with financial institutions and non-traditional lenders to encourage access to capital for rural minority business owners.
- Develop formal partnerships with other Federal Departments and agencies to efficiently bring additional resources to rural areas.
- Focus on value-added activities in agriculture and other natural resource industries by encouraging the establishment and growth of locally owned and operated rural businesses.



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- Encourage the development of renewable energy technology for the generation of electricity through the development of acceptable system and equipment standards and the posting of accepted products on a website accessible to the industry.
- Concentrate efforts on states with high delinquency rates and provide additional training, as necessary, to minimize the delinquency rates.

Performance Measures

Create or save jobs through the financing of rural businesses.

Baseline: 2003 -- Created or saved approximately 87,619 jobs through the financing of businesses in rural areas.

Target: 2010 -- Create or save 88,500 jobs in rural areas through the financing of businesses in rural areas.

Provide capital investment in rural areas through the creation of rural business investment companies.

Baseline: 2003 -- Not applicable.

Target: 2010 -- \$30 million of non-Federal funds invested in rural America through the creation and support of three rural business investment companies.

Assist small rural businesses.

Baseline: 2003 -- Provided financing to 515 small businesses.

Target: 2010 -- Provide financing to 900 small businesses.

Manage the Business and Industry Portfolio effectively to minimize the delinquency rate.

Baseline: 2003 -- The Business and Industry guaranteed portfolio delinquency rate (excluding bankruptcy cases) was 8.5 percent.

Target: 2010 -- The Business and guaranteed portfolio delinquency rate (excluding bankruptcy cases) will be 8.0 percent or less.

Encourage and support the development of renewable energy products for electricity generating systems and equipment.

Baseline: 2003 -- None

Target: 2010 -- Review, analyze and determine acceptability, for use by electric program borrowers, of 2 new renewable energy products for electricity generating systems and equipment.



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Objective 1.2 - Enhance the ability of rural businesses to succeed by providing access to modern telecommunications.

Strategies

- Continually search for enhancements to the broadband program that will ensure it is responsive to rapidly changing technology.
- Aggressively market the expanded broadband program to ensure all potential users of the program are aware of the programs.
- Develop formal partnerships with other Federal departments and agencies to bring additional resources and expertise to the delivery of broadband service in rural areas.
- Promote broadband internet access throughout rural America by building partnerships with state and local governmental entities and interested non-profits.
- Develop formal partnerships with other Federal agencies, state and local governments, and non-profits to bring additional resources and expertise to the delivery of quality utility services in rural areas.

Performance Measures

Provide improved telecommunication services in rural areas.

Baseline: 2003 -- 6.42 percent of rural telecommunications subscribers serviced by Rural Utilities Service (RUS) borrowers receiving new or improved service.

Target: 2010 -- 6.5 percent of rural telecommunications subscribers serviced by RUS receiving new or improved service.

Provide high-speed telecommunications services (broadband).

Baseline: 2003 -- 72 percent of subscriber lines provided by RUS telecommunication borrowers are high-speed broadband capable.

Target: 2010 -- 94 percent of subscriber lines provided by RUS telecommunication borrowers will be high-speed broadband capable.

Improve education and health services in rural areas through advanced technology.

Baseline: 2003 -- 366 counties served by telemedicine, distance learning and broadband services.

Target: 2010 -- 375 counties served by telemedicine, distance learning and broadband services.



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Objective 1.3 – Provide new opportunities for agricultural producers and rural businesses.

Strategies

- Implement the Renewable Energy Systems and Energy Efficiency Improvements program.
- Aggressively market the Renewable Energy Systems and Energy Efficiency Improvements program to ensure all potential eligible applicants are aware of the program.
- Continually monitor and refine the Value-Added Producer Grant program to ensure the funds are invested in value-added businesses with the greatest opportunity for success.
- Provide financial and technical assistance resources to support ventures that encourage the use of renewable energy throughout rural America.
- Encourage sound management for the success of rural agricultural cooperatives by providing organizational and business advice.
- Promote use of rural cooperative models.

Performance Measures

Adopt new or improved renewable energy/energy efficiency systems.

Baseline: 2003 -- 114 agricultural producers and rural small businesses adopted new or improved renewable energy/energy efficiency systems.

Target: 2010 -- 200 agricultural producers and rural small businesses will adopt new or improved renewable energy/energy efficiency systems.

Produce or save energy from renewable energy systems.

Baseline: 2003 -- 100 million kilowatt hours of energy produced or saved from renewable energy systems.

Target: 2010 -- 175 million kilowatt hours of energy will be produced or saved from renewable energy systems.

Increase the supply of electric generation capacity of RUS-financed electric cooperatives produced by means of renewable energy resources.

Baseline: 2003 -- 10 percent increase from the previous year's production in the supply of generation capacity produced by means of renewable energy resources.

Target: 2010 -- 10 percent increase from the previous year's production in the supply of generation capacity produced by means of renewable energy resources.



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Promote and provide technical guidance on renewable energy technologies and their use to generate electricity.

Baseline: 2003 -- 100 individuals benefiting from promotion and provision of technical guidance on renewable energy technologies and their use to generate electricity in rural areas.

Target: 2010 -- 100 additional individuals, from the 2003 baseline, will benefit from the promotion and provision of technical guidance on renewable energy technologies and their use to generate electricity in rural areas.

Assistance to proposed, new or expand value-added businesses.

Baseline: 2003 -- 184 proposed, new or expanded value-added businesses assisted.

Target: 2010 -- 244 of proposed, new or expanded value-added businesses will be assisted.

Assist existing and prospective cooperative groups.

Baseline: 2003 -- 200 cooperatives and prospective cooperative groups assisted.

Target: 2010 -- 500 cooperatives and prospective cooperative groups will be assisted.

Provide information materials on cooperatives to the public.

Baseline: 2003 -- 20,000 disseminations provided to the public.

Target: 2010 -- 100,000 disseminations will be provided to the public.



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